

## 8855 Bureau of State Audits

The California State Auditor (State Auditor) promotes the effective and efficient administration and management of public funds and programs by providing citizens and government nonpartisan, accurate, and objective assessments of state and local governments' financial and operational activities. As the independent auditor, the State Auditor is the only state entity that the law grants full access to all records of state and local agencies, special districts, school districts, and any publicly created entity. The State Auditor conducts performance, financial, or compliance audits that are either mandated by statute or requested by the Legislature through the Joint Legislative Audit Committee (JLAC). Further, the State Auditor is responsible for annually conducting California's statewide Single Audit—a combination of the independent audit of the State's basic financial statements and the independent audit of numerous federal programs administered by California. The Single Audit is federally required as a condition for California to receive billions in federal funds each year. In 2011-12 the Legislature enacted a program that requires the State Auditor to conduct pilot audits of the procurement practices of six trial courts in 2012-13 and to thereafter audit the procurement practices of each trial court once every four years. In addition, the State Auditor is required to audit the procurement practices of the Appellate Courts, the Administrative Office of the Courts, and the Habeas Corpus Resource Center on a biennial basis.

The State Auditor also identifies statewide issues or specific government entities as at high risk for waste, fraud, abuse, and mismanagement or that have major challenges related to efficiency and effectiveness. The State Auditor has the authority to conduct evaluations of those issues and entities identified as being high risk. Chapter 451, Statutes of 2011 (AB 187), authorizes the State Auditor, to the extent resources are available, to identify local government agencies—including city, county, or special districts or publicly created entities—as at high risk for the potential of waste, fraud, abuse, or mismanagement or that have major challenges associated with their economy, efficiency, or effectiveness. Further, if approved by JLAC, the State Auditor can audit local entities identified as being high risk.

Additionally, under the California Whistleblower Protection Act, the California State Auditor's office has broad authority to perform independent investigations into allegations of improper governmental activities by state and court employees or state agencies and courts. The State Auditor's office administers California's Whistleblower Hotline that enables the public to report allegations of improper acts committed by the courts, state agencies, departments, or employees, as defined by law.

The Voters FIRST Act (Act), approved by voters in November 2008 as Proposition 11, requires the State Auditor to initiate an application process for selecting the members of a 14-member Citizens Redistricting Commission (Commission) every 10 years. The State Auditor develops regulations to implement the application and selection process of the Commission and conducts comprehensive outreach to prospective applicants to serve on the Commission. Using the new national census data, the Commission will be responsible for redrawing the boundaries for California's Congressional, Senate, Assembly, and the State Board of Equalization electoral districts.

### 3-YR EXPENDITURES AND PERSONNEL YEARS

	Personnel Years			Expenditures		
	2010-11	2011-12	2012-13	2010-11*	2011-12*	2012-13*
10 California State Auditor	148.0	168.0	193.0	\$18,884	\$24,724	\$26,753
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>148.0</b>	<b>168.0</b>	<b>193.0</b>	<b>\$18,884</b>	<b>\$24,724</b>	<b>\$26,753</b>
<b>FUNDING</b>				<b>2010-11*</b>	<b>2011-12*</b>	<b>2012-13*</b>
0001 General Fund				\$9,293	\$13,993	\$14,180
0126 State Audit Fund				837	-	-
0995 Reimbursements				986	100	1,800
9740 Central Service Cost Recovery Fund				7,768	10,631	10,773
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$18,884</b>	<b>\$24,724</b>	<b>\$26,753</b>

### LEGAL CITATIONS AND AUTHORITY

#### DEPARTMENT AUTHORITY

Government Code, Title 2, Division 1, Chapter 6.5, Sections 8543 through 8548.9.

#### VOTERS FIRST ACT AUTHORITY

Government Code, Title 2, Division 1, Sections 8251 through 8253.6.

### DETAILED BUDGET ADJUSTMENTS

	2011-12*			2012-13*		
	General Fund	Other Funds	Personnel Years	General Fund	Other Funds	Personnel Years
<b>Workload Budget Adjustments</b>						
<b>Other Workload Budget Adjustments</b>						
• Employee Compensation	-\$89	-\$67	-	\$33	\$25	-

\* Dollars in thousands, except in Salary Range.

## 8855 Bureau of State Audits - Continued

	2011-12*			2012-13*		
	General Fund	Other Funds	Personnel Years	General Fund	Other Funds	Personnel Years
• Retirement Rate Adjustment	43	33	-	43	33	-
• Miscellaneous Adjustments	-	-	-13.0	65	1,749	12.0
<b>Totals, Other Workload Budget Adjustments</b>	<b>-\$46</b>	<b>-\$34</b>	<b>-13.0</b>	<b>\$141</b>	<b>\$1,807</b>	<b>12.0</b>
<b>Totals, Workload Budget Adjustments</b>	<b>-\$46</b>	<b>-\$34</b>	<b>-13.0</b>	<b>\$141</b>	<b>\$1,807</b>	<b>12.0</b>
<b>Totals, Budget Adjustments</b>	<b>-\$46</b>	<b>-\$34</b>	<b>-13.0</b>	<b>\$141</b>	<b>\$1,807</b>	<b>12.0</b>

## DETAILED EXPENDITURES BY PROGRAM

		2010-11*	2011-12*	2012-13*
<b>PROGRAM REQUIREMENTS</b>				
<b>10 CALIFORNIA STATE AUDITOR</b>				
	<b>State Operations:</b>			
0001	General Fund	\$9,293	\$13,993	\$14,180
0126	State Audit Fund	837	-	-
0995	Reimbursements	986	100	1,800
9740	Central Service Cost Recovery Fund	7,768	10,631	10,773
	<b>Totals, State Operations</b>	<b>\$18,884</b>	<b>\$24,724</b>	<b>\$26,753</b>
<b>TOTALS, EXPENDITURES</b>				
	State Operations	18,884	24,724	26,753
	<b>Totals, Expenditures</b>	<b>\$18,884</b>	<b>\$24,724</b>	<b>\$26,753</b>

## EXPENDITURES BY CATEGORY

1 State Operations	Positions/Personnel Years			Expenditures		
	2010-11	2011-12	2012-13	2010-11*	2011-12*	2012-13*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	148.0	177.0	203.0	\$10,815	\$13,167	\$15,003
Estimated Salary Savings	-	-9.0	-10.0	-	-658	-750
<b>Net Totals, Salaries and Wages</b>	<b>148.0</b>	<b>168.0</b>	<b>193.0</b>	<b>\$10,815</b>	<b>\$12,509</b>	<b>\$14,253</b>
Staff Benefits	-	-	-	3,895	4,128	4,703
<b>Totals, Personal Services</b>	<b>148.0</b>	<b>168.0</b>	<b>193.0</b>	<b>\$14,710</b>	<b>\$16,637</b>	<b>\$18,956</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>						
				\$4,174	\$8,087	\$7,797
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$18,884</b>	<b>\$24,724</b>	<b>\$26,753</b>

## DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

1 STATE OPERATIONS	2010-11*	2011-12*	2012-13*
<b>0001 General Fund</b>			
<b>APPROPRIATIONS</b>			
001 Budget Act appropriation (transfer to State Audit Fund)	\$9,359	\$14,039	\$14,180
Allocation for employee compensation	40	19	-
Adjustment per Section 3.60	201	43	-
Adjustment per Section 3.90	-	-108	-
Adjustment per Section 3.91	-287	-	-
Adjustment per Section 15.30	-20	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$9,293</b>	<b>\$13,993</b>	<b>\$14,180</b>
<b>0126 State Audit Fund</b>			

\* Dollars in thousands, except in Salary Range.

## 8855 Bureau of State Audits - Continued

1 STATE OPERATIONS	2010-11*	2011-12*	2012-13*
APPROPRIATIONS			
Government Code Section 8544.5	<u>\$18,884</u>	<u>\$24,724</u>	<u>\$26,753</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$18,884</b>	<b>\$24,724</b>	<b>\$26,753</b>
Less funding provided by the General Fund	-10,279	-14,093	-15,980
Less funding provided by the Central Service Cost Recovery Fund	<u>-7,768</u>	<u>-10,631</u>	<u>-10,773</u>
<b>NET TOTALS, EXPENDITURES</b>	<b>\$837</b>	<b>\$-</b>	<b>\$-</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	\$986	\$100	\$1,800
<b>9740 Central Service Cost Recovery Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$6,980	\$10,666	\$10,773
Allocation for employee compensation	32	14	-
Adjustment per Section 3.60	152	33	-
Adjustment per Section 3.90	-	-82	-
Adjustment per Section 3.91	-226	-	-
002 Budget Act appropriation	<u>1,213</u>	<u>-</u>	<u>-</u>
<b>Totals Available</b>	<b>\$8,151</b>	<b>\$10,631</b>	<b>\$10,773</b>
Unexpended balance, estimated savings	<u>-383</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$7,768</b>	<b>\$10,631</b>	<b>\$10,773</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$18,884</b>	<b>\$24,724</b>	<b>\$26,753</b>

## FUND CONDITION STATEMENTS

	2010-11*	2011-12*	2012-13*
<b>0126 State Audit Fund <sup>s</sup></b>			
BEGINNING BALANCE	\$2,441	\$4,038	\$4,038
Prior year adjustments	<u>2,434</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$4,875	\$4,038	\$4,038
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
8855 Bureau of State Audits (State Operations)	18,884	24,724	26,753
Expenditure Adjustments:			
8855 Bureau of State Audits			
Less funding provided by the General Fund (State Operations)	-10,279	-14,093	-15,980
Less funding provided by the Central Service Cost Recovery Fund (State Operations)	<u>-7,768</u>	<u>-10,631</u>	<u>-10,773</u>
Total Expenditures and Expenditure Adjustments	<u>\$837</u>	<u>-</u>	<u>-</u>
FUND BALANCE	\$4,038	\$4,038	\$4,038
Reserve for economic uncertainties	4,038	4,038	4,038

\* Dollars in thousands, except in Salary Range.